

## CHAPTER XII

# Real Estate: A Fresh Departure

Reform overtook the Real Estate Branch, as a controversy developed out of the brokerage contracts arranged by Colonel Valliant in the fall of 1940.<sup>1</sup> Erupting in early 1941, the dispute dragged on throughout the war. Hundreds of persons were involved, some of whom endured much hardship. Exposés, public protests, hearings, investigations, and an attempt by the War Department to repudiate one of its own contracts were highlights of the case, which ended before the Supreme Court. It was a sorry affair, but some good came out of it, for the commotion over the brokerage agreements helped bring about salutary changes in the Army's real estate organization and techniques.

### *The Case of the Brokerage Contracts*

In mid-January 1941 Robert S. Allen, coauthor of the syndicated column, "Washington Merry-Go-Round," quizzed Patterson about rumors of questionable real estate dealings at Jefferson Proving Ground, Indiana. According to Allen's informants, Paul L. McCord, the broker at Jefferson, was paying exorbitant prices for land and drawing an excessive fee. McCord, reportedly, had hired a title company having assets of only one million dollars for this three-million-dollar job.

Hinting at political intrigue, Allen told Patterson that McCord and his associates were prominent Republicans. After this conversation, the Assistant Secretary set out to find the facts. Discovering that Gregory knew nothing of the affair, he telephoned Inspector General Peterson. A few hours later, Lt. Col. Rosser L. Hunter began an investigation.<sup>2</sup>

On 27 January, without waiting for Hunter to complete his inquiry, Allen and his partner, Drew Pearson, published "the inside story." Disclosing that an investigation was under way, they suggested that "certain Army brass hats" were unaware of the President's dictum that "no person should be allowed to get rich out of this program." McCord, the columnists said, would make \$195,000 on his contract. Having seen a partial breakdown of his transactions, Pearson and Allen concluded that the broker was basing his fee on a gross sales price which included his commission and was thus collecting a commission on a commission. Furthermore, the title company was charging \$95 for abstracts that normally cost \$35. The columnists also pointed out that the president of this company had headed the Willkie Clubs in Indiana.<sup>3</sup>

<sup>1</sup> For a discussion of the brokerage contracts, see pp. 177, 182-83, above.

<sup>2</sup> (1) Exhibits B and C, with Ltr, Hunter to Peterson, 17 Feb 41. IG 333.9 Jefferson Ord Pr Grnd, Madison, Ind. (Ltr cited hereinafter as IG Rpt, 17 Feb 41.) (2) Memo, Patterson for Peterson, 14 Jan 41. USW Files, Geog—Jefferson Pr Grnd & Jeffersonville, Ind.

<sup>3</sup> Washington *Times-Herald*, January 27, 1941, p. 6.

Their account brought the affair at Jefferson Proving Ground before the public for the first time.

People in Indiana reacted sharply to Pearson and Allen's story. On reading the column in the Indianapolis *Star*, Joe Goode, a real estate and insurance agent, protested to Patterson that property holders in the Jefferson area usually paid no more than \$5.50 for abstracts.<sup>4</sup> Farmer John S. Smith, who had an offer of \$16,700 for 377 acres, learned from the newspapers that his neighbor was getting \$14,000 for a 165-acre farm. Smith protested to Assistant Attorney General Norman M. Littell: "If a 200-pound hog is valued at \$16.00, then a 250-pound one is worth more or a lighter one less."<sup>5</sup> Other Hoosiers accused McCord of using inconsistent and arbitrary methods of appraisal, keeping his offers secret to conceal favoritism, and obtaining options under coercion and threats of condemnation.<sup>6</sup> The Kentucky kinsman of one elderly owner summed up his resentment in the statement, "It looks like the Republicans from Indianapolis have been away from the trough so long that when they get to it, they lie down in it."<sup>7</sup> Echoes of the discontent in Indiana soon reached Congress. During February the House Military Affairs Committee questioned War Department officials not only about McCord's activities but about those

of other brokers also. Although the committee centered its attention on percentage contracts and alleged high prices, its members showed increasing concern over the landowners' plight.<sup>8</sup>

Hunter's report to The Inspector General on 17 February cleared McCord and his associates of most of the charges against them. Hunter found no evidence of political finagling or crooked dealing. The title company, far from being weak financially, had a reserve fund double that required by law, an agreement with another firm to share risks, and an insurance policy with Lloyd's of London. McCord was well qualified by his Indiana background and twenty-six years' experience to handle the Jefferson job. Hunter held that option prices were not far out of line and were, under the circumstances, fair to both government and vendor, adding that much of the talk about excessive prices stemmed from farmers' boasts. Stating that any reconsideration of McCord's offers would delay payments and cause owners undue hardship, he recommended paying the option prices. But, said Hunter, profits on the transaction were excessive. The full commission came to \$195,000. McCord's net earnings amounted to \$50,000. The title company had received \$60,000 from the broker and at the same time had collected \$48,000 from the owners. Hunter concluded that McCord's fee was exorbitant and that the title company had charged twice for the same services.<sup>9</sup>

Reserving his sharpest criticism for the Real Estate Branch, Hunter charged Colonel Valliant with negligence. Although Valliant lacked personal knowl-

<sup>4</sup> Ltr, Joe Goode, Indianapolis, Ind., to ASW, 28 Jan 41. 601.1 (Jefferson Pr Grnd) (Misc) I.

<sup>5</sup> Ltr, Smith, North Madison, Ind., to Littell, n.d. 601.1 (Jefferson Pr Grnd) (Misc) I.

<sup>6</sup> (1) Ltr, Theodore and Callie Hamilton to US Atty, Southern Dist of Ind., 6 Feb 41. (2) Ltr, H. A. Weaver, Jr., to J. J. O'Brien, 21 Feb 41. Both in 601.1 (Jefferson Pr Grnd) I.

<sup>7</sup> Ltr, Freeman Gilbert, Lawrenceburg, Ky., to Sen Albert B. Chandler, 3 Feb 41. 601.1 (Jefferson Pr Grnd) (Misc) I.

<sup>8</sup> May Comm *Hearings*, Part 1, pp. 155, 173-75, 233ff.

<sup>9</sup> IG Rpt, 17 Feb 41.

edge of McCord's qualifications, he had relied heavily on the broker's judgment. The Real Estate Branch had not disapproved any of McCord's options nor had it checked to see if his prices were reasonable. One staff member had approved payment of \$6,450 for 1.5 acres, assuming that such a large sum must include residential or business property, when, in fact, he had no idea what the tract contained. Valliant had requested no breakdown of appraisals and McCord had furnished none. The only breakdowns Hunter could find were tentative estimates on the backs of vendors' copies of options. The commission contract proved to be Valliant's most vulnerable point. According to Hunter, the agreement was ambiguous and therefore subject to manipulation by the broker. In his judgment, the contract with McCord was improper.<sup>10</sup>

As the investigation proceeded, Somervell began a series of reforms. In a terse memorandum, on 18 January, he outlined a course of action. Valliant would investigate "the qualifications, integrity, and local relationships, connections, or interests of real estate brokers . . . before . . . work is entrusted to them." In cases of doubt, he would have option prices checked by independent appraisers. Brokers would furnish detailed breakdowns of prices. Valliant would take care "in the wording of the contract to insure that the broker is not paid a commission on a commission or similar improper procedure."<sup>11</sup> Not content merely to safeguard the future, Somervell attempted to correct past mistakes. An obvious move was reducing

McCord's percentage to that of the other brokers. Since the arrangement was not to be retroactive and since work at the Jefferson Proving Ground was almost complete, McCord on 23 January signed a new contract which cut his fee from 6.5 percent of the gross sales price to 5 percent of the net.<sup>12</sup>

On 6 February Gregory assigned Valliant to a Quartermaster depot in New York City. Hunter in his report stated that Valliant's relief from the Real Estate Branch was a result of the investigation at Jefferson Proving Ground.<sup>13</sup> Somervell furnished the only public explanation in an exchange with Rep. Charles I. Faddis of the House Military Affairs Committee:

Mr. Faddis. How did Colonel Valliant come to be replaced; do you know that, General?

General Somervell. Yes, sir.

Mr. Faddis. For what reasons, General?

General Somervell. Because I thought the work could be handled better by someone else.<sup>14</sup>

That someone was John J. O'Brien, who was recommended for the job by his superior in the Justice Department, Norman M. Littell.

A few days after O'Brien joined the Construction Division, Somervell suspended payments at all broker-handled projects pending further investigation.<sup>15</sup> The Department of Justice co-operated in the subsequent study of brokers' ac-

<sup>12</sup> (1) Memo, Styer for Valliant, 21 Jan 41. (2) Memo, RE Br for Styer, 25 Jan 41. Both in 601.1 (Jefferson Pr Ground) I. (3) IG Rpt, 17 Feb 41.

<sup>13</sup> IG Rpt, 17 Feb 41.

<sup>14</sup> Somervell's Testimony, 1 Apr 41. In May Comm Hearings, Part 1, p. 318.

<sup>15</sup> (1) Memo, O'Brien for Somervell, 11 Apr 41. Opns Br Files, H Investigation. (2) Telg, Sp Asst to Atty Gen to OQMG, 13 Feb 41. 601.1 (Kingsbury OP) I.

<sup>10</sup> *Ibid.*

<sup>11</sup> Memo, Styer for Valliant, 18 Jan 41. QM 601.1 (Misc) Jan-Jun 41.

tivities. Special attorneys went over records at the eight projects and questioned the agents, and Littell visited the site of the Kingsbury Ordnance Works in Indiana. Along with Somervell and O'Brien, Patterson and Gregory examined the findings of the Justice Department. In light of this evidence, Patterson appointed a committee of three, headed by Douglas McKay of Somervell's staff, to re-examine the brokerage contracts. Review would turn upon two points—prices and fees.<sup>16</sup>

McKay and his associates studied prices first. To determine fair market values at each of the eight sites, they averaged per-acre costs at neighboring War Department projects, examined courthouse records, and made spot appraisals. A comparison of these figures with brokers' prices showed that although the brokers had paid more than the land would normally bring, their option prices were, in most cases, about the same as or lower than the Army's. Because the investigation had revealed no evidence of collusion between owners and agents, and because a majority of the brokers had almost completed their work, the committee approved payment of the original option prices at all the projects except those at Burlington, Iowa, and Weldon Spring, Missouri.<sup>17</sup> At the Iowa plant,

the committee refused to accept prices 18.5 percent above recent appraisals. After a trip to Burlington, McKay recommended letting paid options stand and cutting the rest to within 14 percent of appraised values. Both the government and the owners considered this settlement satisfactory.<sup>18</sup> Adjustment of differences at Weldon Spring would be more difficult.

The committee turned next to the matter of fees. Concluding that the brokers were making "unjustifiable profits," McKay attempted to reduce their commissions. McCord's was one of the first contracts considered. The committee offered him a lump sum, representing 2 percent of the sales price plus \$40 per tract for the title company. McCord rejected the offer. A compromise reached on 21 February slashed his fee to 3.5 percent and gave the title company \$50 per tract.<sup>19</sup> A short time later, five more brokers accepted reductions in their fees. McKay did not insist on an adjustment of the Ravenna contract, originally negotiated by the Atlas Powder Company. His efforts to impose new terms on the broker at Weldon Spring were unsuccessful.<sup>20</sup> Before the War Department could benefit from the six amended contracts, it had to work out an arrangement

<sup>16</sup> (1) Ltr, Littell to Patterson, 6 Feb 41. USW Files, 601 (Land Acquisition). (2) Telg, OQMG to Cockrell, 8 Feb 41. 601.1 (Iowa OP) I. (3) Ltr, Acquisition Agent, Kingsbury OP to OQMG, 7 Feb 41. 601.1 (Kingsbury OP) I. (4) Ltr, Patterson to Littell, 19 Feb 41. USW Files, 601 (Land Acquisition). (5) Memo, Gregory for Littell, 12 Mar 41. QM 601.1 (Misc) Jan-Jun 41.

<sup>17</sup> (1) Memo, O'Brien for Patterson, 25 Mar 41. USW Files, 601 (Land Acquisition). (2) Memo, O'Brien for Somervell, 11 Apr 41. Opns Br Files, H Investigation. (3) O'Brien's Testimony, 18 Mar 41. In May Comm *Hearings*, Part 1, p. 241.

<sup>18</sup> (1) Telg, OQMG to Cockrell, 8 Feb 41. (2) Ltr, OQMG to USW, 18 Feb 41. Both in 601.1 (Iowa OP) II. (3) Memo, Burns for Patterson, 20 Feb 41. USW Files, 601 (Land Acquisition). (4) Telg, TQMG to Cockrell, 20 Feb 41. 601.1 (Iowa OP) I. (5) Memo, O'Brien for Styer, 20 Mar 41. 601.1 (Iowa OP) II.

<sup>19</sup> Outline Data, prepared by RE Br OQMG for H Comm on Mil Affs, 12 Apr 41. Opns Br Files, OQMG-C-RE.

<sup>20</sup> (1) Draft Rpt, prepared by RE Br OQMG for H Comm on Mil Affs (Jul 41). Gideon Files, 6A1. (2) Memo, O'Brien for Somervell, 11 Apr 41. Opns Br Files, H Investigation.

whereby savings would revert to the government rather than to the owners, who had nominally paid the brokers' commissions. Under the new agreements, brokers would refund to the Army the difference between revised and original fees.<sup>21</sup> This arrangement was a tacit admission that Uncle Sam was paying the brokers' fees and that his contracts with them were of the cost-plus-a-percentage type. By late spring O'Brien had made amicable settlements with all but one of the brokers.

Hopes for extricating the War Department from its unhappy situation now rested on R. Newton McDowell, the broker at Weldon Spring. By February McDowell had taken options on 16,500 acres at an average price of \$159 per acre. Valliant had approved all but three of these options and had thus obligated the War Department to pay more than 2.5 million dollars.<sup>22</sup> McKay's investigation of this project, although described by Somervell as "impartial and thorough,"<sup>23</sup> was hindered by a lack of information and personnel. McDowell was unable to furnish breakdowns for 248 of the 270 tracts at Weldon Spring, explaining that all but twenty-two of the owners had priced their holdings in lump sums.<sup>24</sup> One of the investigators, U.S. Attorney Harry C. Blanton, "en-

countered great difficulty in . . . finding anyone qualified to do appraisal work . . . or . . . anyone willing to do so." He wrote: "The real estate dealers have definitely advised me that they are not at all interested as they are very busily engaged in making sales to those who are being dispossessed . . . They, moreover, do not want to antagonize the owners within the area by making an appraisal which might be at a figure lower than that included in the option."<sup>25</sup> Blanton "combed the county" to find three men willing to undertake the job.<sup>26</sup> When these men appraised ten tracts at prices 40 percent below McDowell's offers, the Construction Division accepted their findings as evidence that his prices were excessive.<sup>27</sup>

Seeking a compromise, Patterson asked McDowell to come to Washington for a conference. The meeting, held on Friday, 7 March, with O'Brien, Blanton, and the McKay committee, demonstrated the futility of further efforts to reach an understanding with McDowell, for the broker flatly refused to accept any reduction in fee. When the committee asked the owners to take lower prices, it was again rebuffed.<sup>28</sup> Two courses remained open to the War Department: it could give in to McDowell, or it could take the case to court. The first alternative was un-

<sup>21</sup> (1) Ltr, OQMG to Chief of Finance, 26 Jul 41. 601.1 (Iowa OP) III. (2) Ltr, D. J. Snodgrass, Dept of Justice, to Constr Div, 5 May 41. (3) Ltr, RE Br to Snodgrass, 26 May 41. Both in 601.1 (Kingsbury OP) I.

<sup>22</sup> (1) Outline Data, prepared by RE Br for H Comm on Mil Affs, 12 Apr 41. Opns Br Files, OQMG-C-RE. (2) Memo, McKay Comm for Patterson, 8 Mar 41. 601.1 (Weldon Spring OP) II.

<sup>23</sup> Memo, Somervell for Patterson, 1 Mar 41. USW Files, Weldon Spring.

<sup>24</sup> Ltr, McDowell to RE Br OQMG, 14 Feb 41. 601.1 (Weldon Spring OP) II.

<sup>25</sup> Ltr, Blanton to O'Brien, 14 Feb 41. 601.1 (Weldon Spring OP) II.

<sup>26</sup> Ltr, Blanton to O'Brien, 17 Feb 41. 601.1 (Weldon Spring OP) II.

<sup>27</sup> (1) Memo, O'Brien for Somervell, 11 Apr 41. Opns Br Files, House Investigation. (2) Memo, McKay Comm for Patterson, 8 Mar 41. 601.1 (Weldon Spring OP) II.

<sup>28</sup> (1) Telg, Patterson to McDowell, 28 Feb 41. (2) Memo, McKay Comm for Patterson, 8 Mar 41. (3) Telg, McDowell to Harry Hopkins, 11 Mar 41. (4) Telg, McDowell to OQMG, 26 Mar 41. All in 601.1 (Weldon Spring) II.

acceptable.<sup>29</sup> "Mr. McDowell," O'Brien explained, "was undoubtedly sincere in his efforts, but the prices for which the lands were optioned are so unreasonable that the War Department is unwilling to assume responsibility for voluntary payment."<sup>30</sup> Patterson resolved to repudiate the contract with McDowell and to take by condemnation the properties on which options were still outstanding. He reasoned:

I did not see how I as an executive of the Government could authorize the carrying out of the purchases in view of the fact that the prices were reported to me to be greatly in excess of the value of the tracts. It seemed to me that the only course was to send the cases to condemnation in court, with provision for prompt payment of the value conceded by the Government and with the right of the owners to get any further amount found to represent said value.<sup>31</sup>

On 19 March Secretary Stimson asked The Attorney General to institute condemnation proceedings in the U.S. District Court of Eastern Missouri.<sup>32</sup>

McDowell fought to defend his offers. Refusing to accept the judgment of the McKay committee, he told O'Brien: "You do not know whether my prices are excessive or not because you have not been furnished with any intelligent information on the subject . . . . Ewing Wright [a member of the committee], political lawyer from southern Indiana, . . . walked onto this proj-

ect and in the first five minutes stated these prices are too high and started preaching condemnation proceedings and he did not know a damned thing about it." Furthermore, the committee's appraisers were not qualified for the job, McDowell asserted, citing as evidence their use of 1929 assessments in determining current fair market values.<sup>33</sup> He also charged that the Justice Department had instituted condemnation proceedings merely to create "pork-barrel jobs for lawyers."<sup>34</sup>

Word of the Washington meeting reached Missouri on 8 March, when Sunday papers carried front-page accounts of the government's "squeeze play."<sup>35</sup> The people at Weldon Spring expressed astonishment at the news. A 91-year-old man wired Stimson: "I have observed public affairs since before the Civil War; I have seen my country pass through that supreme test and the lesser test of the late World War and now find it confronted with the present crisis but in none of these periods nor at any other time did I ever hear of the United States of America repudiating sacred covenants with its citizens."<sup>36</sup> A farmer's wife accused the government of regarding the options as "scraps of paper."<sup>37</sup> Another woman complained: "Citizens are not

<sup>29</sup> Ltr, Stimson to Chm, S Comm on Mil Affs, 17 Apr 41. 601.1 (Weldon Spring OP) III.

<sup>30</sup> Draft of Ltr, prepared in RE Br OQMG to Rep Cannon (22 Mar 41). 601.1 (Weldon Spring OP) II.

<sup>31</sup> Ltr, Patterson to Sen Carl Hayden, 5 Apr 41. USW Files, Geog—Weldon Spring.

<sup>32</sup> Ltr, SW to The Atty Gen, 19 Mar 41. USW Files, Weldon Spring.

<sup>33</sup> Ltr, McDowell to O'Brien, 22 Mar 41. 601.1 (Weldon Spring OP) II.

<sup>34</sup> (1) Telg, McDowell to Patterson, 19 Mar 41. USW Files, Geog—Weldon Spring. (2) Telg, McDowell to Marshall, 19 Mar 41. 601.1 (Weldon Spring OP) I.

<sup>35</sup> St. Louis (Mo.) *Globe-Democrat*, March 8, 1941, p. 2A; March 9, 1941, p. 1A.

<sup>36</sup> Telg, William H. Snyder, St. Charles, Mo., to Stimson, 25 Mar 41. 601.1 (Weldon Spring OP) III.

<sup>37</sup> Ltr, Mrs. Arch Howell, Defiance, Mo., to Mrs. Roosevelt, 11 Apr 41. 601.1 (Weldon Spring OP) III.

permitted to [repudiate a contract] but apparently Uncle Sam can do anything."<sup>38</sup> On 12 March owners met and drew up a petition asking the President to intervene.<sup>39</sup> Although Representative John J. Cochran of Missouri termed the situation "as dangerous from a political standpoint for a Congressman to fool with . . . as it is to fool with TNT,"<sup>40</sup> he and other influential men, among them Chester Davis of NDAC, Senator Carl Hayden of Arizona, and Senator B. Champ Clark of Missouri, supported the owners.<sup>41</sup> The people of Weldon Spring had a stalwart champion in their congressman, Clarence Cannon, who attacked the Army's decision. "The only reason given by the War Department is that they made a mistake," he said, "and because they made a mistake they are going to take it out on the farmers who are innocent third parties."<sup>42</sup>

While preparing to take the condemnation cases to trial, O'Brien tried to settle out of court. Establishing an office at Weldon Spring, he offered to negotiate new options on the basis of a reappraisal by the Federal Land Bank of St. Louis. But most of the owners were in no mood to bargain. One of their spokesmen stated, "If there ever was anything that we consider as a shakedown by the War De-

partment, this surely is."<sup>43</sup> Congressman Cannon commented: "I hardly see what inducement there would be for the landowners to sign another option with the Government . . . when the Government has repudiated all other options signed, and can just as easily repudiate this one." He had learned that the War Department would bring a test suit and if the court ruled in favor of the owners would drop condemnation and pay the original options. "However," he said, "it should not be overlooked that they will pick the one tract in all the entire area in which they think they have the best chance to make a case."<sup>44</sup>

O'Brien's representative at Weldon Spring reported that Cannon had "stiffened up some of the larger land owners."<sup>45</sup> Although the Army continued to negotiate, it succeeded in settling only a handful of hardship cases.<sup>46</sup> Countering charges that the government was coercing the poorer farmers, O'Brien explained that any of the owners could withdraw money deposited in the courts without prejudicing their rights to receive a larger amount should the courts decide in their favor. Owners, warned by their attorneys that they might nullify their rights under the original options, left the money where

<sup>38</sup> Ltr, Hortense K. Spence, Springerville, Ariz., to McDowell, 27 Mar 41. USW Files, Geog—Weldon Spring.

<sup>39</sup> Min, Mtg of Former Owners Held at Weldon Spring, Mo., on 12 Mar 41. 601.1 (Weldon Spring OP) II.

<sup>40</sup> Ltr, Cochran to Patterson, 2 Apr 41. USW Files, Geog—Weldon Spring.

<sup>41</sup> (1) Ltr, Davis to O'Brien, 12 Mar 41. 601.1 (Weldon Spring OP) II. (2) Ltr, Hayden to Patterson, 31 Mar 41. USW Files, Geog—Weldon Spring. (3) May Comm *Hearings*, Part 1, 1941, p. 315.

<sup>42</sup> May Comm *Hearings*, Part 1, 1941, p. 267.

<sup>43</sup> (1) Memo, H. C. Gelnaw, RE Br OQMG, for O'Brien, 16 Apr 41. (2) Ltr, O'Brien to Littell, 19 Apr 41. (3) Ltr, E. R. Sutton, St. Charles, Mo., to Patterson, 25 Apr 41. All three in 601.1 (Weldon Spring OP) III.

<sup>44</sup> Ltr, Cannon to Clerk of the County Court, St. Charles, Mo., printed in the St. Charles (Mo.) *Daily Cosmos-Monitor*, May 5, 1941.

<sup>45</sup> Ltr, Gelnaw to O'Brien, 7 Mar 41. 601.1 (Weldon Spring OP) III.

<sup>46</sup> (1) Affidavit of President, Kansas City Title Insurance Co., Kansas City, Mo., 26 Mar 45. 601.1 (Weldon Spring OP) 1943-45—Misc. (2) Memo, Amberg for Patterson, 23 Jul 42. USW Files, Geog—Weldon Spring.

it was.<sup>47</sup> The issue rested on the outcome of the trial. Prolongation of the case did not delay construction; the government took possession of the land under McDowell's options, and the Weldon Spring Ordnance Plant went into operation on 29 September 1941.<sup>48</sup>

On 30 March 1942, three cases came before the District Court at St. Louis. One hundred and twenty-three other cases involving roughly \$1,325,000 hinged on the outcome of these hearings. Blanton, representing the government, contended that McDowell's option contracts were invalid because they violated the congressional prohibition against percentage agreements, because the broker had set exorbitant prices, and because he had deceived Valliant by representing option prices as fair market values. Counsel for the owners asked the court to uphold the contracts. The three judges who heard these cases handed down their decision on 6 July. Two ruled that the contracts were valid and ordered payment of the full option prices. The third ruled that the contracts violated the Act of July 2, 1940, which outlawed percentage contracts, and were therefore void.<sup>49</sup>

Patterson now had to decide whether to accept defeat or appeal to a higher court. Senator Clark and Congressman Cannon urged him not to prolong the

litigation, since delay would inflict further hardship. Owners appealed to the President for immediate payment, pointing out that the Army had led them to believe that it would abide by the test case decision.<sup>50</sup> Meanwhile, Julius Amberg, Stimson's special assistant, conferred with members of the Real Estate Branch and the Department of Justice. "Personally," he advised Patterson, "I think it is a close question of law in which we may be defeated although there is an appreciable chance of success."<sup>51</sup> Despite the risk, he recommended an appeal, advancing these reasons: first, the War Department had not yet received a controlling decision from the courts; second, there was a large sum of money involved; and third, if the War Department now reversed its stand and agreed to pay, Congress might react unfavorably. On 8 August 1942 Patterson asked The Attorney General to appeal.<sup>52</sup>

When the second round ended late in 1943 in a victory for the government, the owners took the case to the Supreme Court.<sup>53</sup> In February 1945, in a 5-3 decision, the Court upheld the legality of the contracts and thus compelled the War Department to pay McDowell's options.<sup>54</sup> The owners then sued for interest on the amount of the original offers. On 3 February 1947 the Court, in a 7-2 split, decided in the War Department's

<sup>47</sup> (1) Ltr, O'Brien to William H. Snyder, St. Charles, Mo. (2) Ltr, R. F. Thiele, St. Louis, Mo., to Gregory, 30 Apr 41. Both in 601.1 (Weldon Spring OP) III.

<sup>48</sup> Telg, Fraser Brace Engrg Co., Inc., to OQMG, 30 Sep 41. 635 (Weldon Spring TNT Plant).

<sup>49</sup> (1) 3d Ind, O'Brien to UMVD, 20 Apr 42, basic missing. 601.1 (Weldon Spring OP) V. (2) Ltr, OCE to Sen W. Lee O'Daniel, 6 Nov 42. (3) Ltr, O'Brien to Patterson, 27 Jul 42. Last two in 601.1 (Weldon Spring OP) VI.

<sup>50</sup> (1) Memo, Patterson for Amberg, 22 Jul 42. USW Files, Geog—Weldon Spring. (2) Ltr, Comm of Owners, Weldon Spring, Mo., to the President, 2 Sep 42. 601.1 (Weldon Spring OP) VI.

<sup>51</sup> Memo, Amberg for Patterson, 6 Aug 42. USW Files, Geog—Weldon Spring.

<sup>52</sup> (1) *Ibid.* (2) Ltr, Patterson to The Atty Gen, 8 Aug 42. USW Files, Geog—Weldon Spring.

<sup>53</sup> Telg, Blanton to O'Brien, 22 Dec 43. 601.1 (Weldon Spring OP) 1943-45 Misc.

<sup>54</sup> *Muschany et al. v. United States*, 65 Sup. Ct. 442 (1945).



favor.<sup>55</sup> The controversy over the land at Weldon Spring had ended after six years of litigation.

### *Changes in Organization and Procedures*

Reliance on private brokers was merely a symptom of the ills of the Real Estate Branch. Testifying before the House Military Affairs Committee in March 1941, O'Brien stated: "When I went with the War Department I found that the present land program had apparently not been anticipated. The Real Estate Branch lacked adequate personnel. There was a lack of satisfactory records, and I simply had to start from scratch, you might say, and develop not only an organization but also a land acquisition procedure."<sup>56</sup> While trying to quiet the commotion over brokerage contracts, O'Brien also had to expand the real estate organization and revamp its methods of doing business.

Like Valliant before him, O'Brien required a large force of expert assistants. Although the attempt to solve the personnel problem by using brokers had boomeranged, Somervell still believed such agents could be helpful. It would, he wrote Patterson, be "undesirable to bar the services of honest, reliable, and capable realtors willing to assist the War Department to the utmost in meeting the demands of the National Defense Program."<sup>57</sup> Taking a similar stand, the National Association of Real Estate Boards advised its members: "Better results and greater economies can be ob-

tained if those skilled in these fields are permitted to serve their Government."<sup>58</sup> But this avenue did not offer O'Brien a way out. First, Patterson prohibited the use of private agents without his permission. Then, Congress, over Quartermaster objections, limited brokerage fees to 2 percent of purchase prices, and thus lessened realtors' desire to participate. O'Brien had to seek help elsewhere.<sup>59</sup>

At the time O'Brien took over, the Real Estate Branch had 4 officers and 41 civilians and its organization followed lines laid down in 1925. The new chief immediately began to weed out men he did not wish to keep and to assemble a corps of specialists. Valliant's departure had been the signal for a general exodus, but O'Brien's connections with the legal profession, other federal bureaus, and associations of realtors enabled him to find replacements rather quickly. By July his staff numbered 140; by October, 165. O'Brien split the branch into six sections—Planning and Appraisal, Purchase, Condemnation, Leasing and Claims, Disposal and Legal, and Funds and Records. Because each section consisted of experts in a single field, competent men were more willing to take jobs with the branch and the work went more smoothly. While reorganizing the Washington office, O'Brien was also lining up an advisory board. On 16 June, 14 leading realtors from various sections of the country formed the National Advisory Council

<sup>55</sup> *Albrecht et al. v. United States*, 67 Sup. Ct. 606 (1947).

<sup>56</sup> 18 Mar 1941. In *May Comm Hearings*, Part 1, p. 234.

<sup>57</sup> Memo, Somervell for Patterson, 6 Jun 41. QM 601.1 (Misc) Jan-Jun 41.

<sup>58</sup> Excerpt, Natl Assn of RE Bds, Confidential Weekly Ltr, 19 May 41, Incl with Memo, Somervell for Reybold, 4 Jun 41. G-4/30881, Sec II.

<sup>59</sup> (1) Draft Ltr, OQMG to Chm H Subcomm of Comm on Appns, 12 May 41. QM 601.1 C-RE Misc. (2) Address, J. J. O'Brien before Annual Convention of Natl Assn of Real Estate Bds, at Detroit, Mich., 5 Nov 41. Gideon Files, 6B1. Cited hereinafter as O'Brien Address, 5 Nov 41.

on Real Estate. Both Somervell and O'Brien gave the council much credit for the subsequent success of the Real Estate Branch.<sup>60</sup>

Although corps area quartermasters had handled real estate for many years, Somervell believed the function belonged in the zones. The transfer of real estate to the nine zone constructing quartermasters first came up at a Construction Division staff meeting on the morning of 3 January. That afternoon Styer told Valliant to prepare to make the change.<sup>61</sup> The veteran Quartermaster questioned the wisdom of the transfer, contending that while some transactions might properly be arranged by the zones, "a great many should be left to the Corps Area Quartermasters." In view of Valliant's opposition, Styer decided to wait.<sup>62</sup> Somervell later stated that he had intended "to give it all to the Zone Quartermasters and they talked me out of it." Valliant had blocked the move for the time being.<sup>63</sup>

On 29 January, Somervell put the question to the corps area quartermasters. Admitting that the Construction Division had been bypassing the corps areas in real estate matters, he promised to reform. He reminded his listeners that each



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of them had a real estate man who "is supposed to . . . be able to acquire land in quantities—at reasonable prices and in a hurry." He then turned to General Frink of the Fourth Corps Area: "Is there any reason why we should not send you a telegram . . . asking you to buy 50,000 acres at Birmingham, Alabama?" Frink countered with a question of his own. "On things pertaining to the larger camps, big construction projects," he asked, "why would it not be better to set up a real estate section under the Zone Construction Quartermaster?" Somervell beamed. "I think Frink's idea is wonderful," he said. The other corps area quartermasters agreed. "Seems to me General Frink's idea on that is perfectly sound," one remarked, "the only way to do it." "We have only one or two clerks and they are not qualified to do any real estate work," said another. All seemed willing to give up acquisition

<sup>60</sup> (1) Gideon, Mil RE, p. 13. EHD Files. (2) Rpt, OQMG RE Br, Oct 41, Annual Rpt, FY 1941. Gideon Files, 6A3. (3) Table, OQMG, 20 Oct 41, Commissioned Officers and Civilian Employees in the Washington Office of the Constr Div by Br and Sec. Opns Br Files, Pers, May 1, 1941, to Jan 1, 1942. (4) WD Press Release, 16 Jun 41, Natl Advisory Council on RE. QM 601.1 (Misc) Jan-Jun 1941. (5) Memo, Somervell for Patterson, 17 Sep 41. 601.1 II. (6) O'Brien Address, 5 Nov 41.

<sup>61</sup> Memo, Styer for Valliant, 3 Jan 41. Opns Br Files, Territorial Zones.

<sup>62</sup> Memo, Styer for Valliant, 10 Jan 41. Opns Br Files, Territorial Zones.

<sup>63</sup> Notes, Conf of CAQM's, 27-29 Jan 41, pp. 80, 82.

and long-term leasing, but some balked at turning short-term leases over to the zones. Somervell pressed his advantage. He asked the corps area officers if they thought the zones could do leasing. All thought they could. "In other words," Somervell prompted, "you think Zone Quartermasters ought to take over real estate—lock, stock, and barrel?" The corps area quartermasters were unwilling to go that far. Somervell had to compromise. The zones would buy land and arrange long-term leases; the corps areas would rent maneuver areas and make other short-term leases. "If that works," Somervell told the corps area quartermasters in closing, "we will leave it to your judgment to throw as much at the Zone Quartermaster as you want."<sup>64</sup>

Knowledge that other branches of the Army were dabbling in real estate matters strengthened Somervell's determination to take over from the corps areas. Representatives of using Services were negotiating directly with owners. The chief offender was the Air Corps. In one instance, four young air officers descended on an area in Alabama and demanded that the owners surrender their land.<sup>65</sup> Among the persons hectored in this way was an acquaintance of General Somervell's. On hearing of the incident, Somervell asked G-4 to give the Air Corps "immediate and peremptory instructions to desist from real estate operations."<sup>66</sup> The result was a forceful reminder from Reybold to all branches of the War Department that The Quartermaster Gen-

eral was responsible for acquiring military real estate.<sup>67</sup>

Somervell prepared to concentrate real estate activities in the zones. On 29 March he designated the ZCQM's real estate agents of The Quartermaster General and placed them in charge of all transactions in the field except for several types of leasing. The Corps of Engineers would handle leases for Air Corps projects. Short-term leases for maneuver areas, recruiting stations, and the like, remained the responsibility of corps area quartermasters. O'Brien could not make the transfer to the zones overnight, for he had to set up offices and hire personnel. Until the zones were ready to take their new assignment, corps area quartermasters would continue to handle real estate matters.<sup>68</sup>

The transfer order produced bad feeling and confusion. From Atlanta, Colonel Green reported that General Frink was "just a wee bit miffed about the whole business."<sup>69</sup> Frink had understood that the zones would take over acquisition for new construction and nothing more.<sup>70</sup> Comments from other corps areas also reflected dissatisfaction. For example, Maj. Gen. Richard Donovan, commander of the Eighth Corps Area, characterized the instructions as "illogical, if not ambiguous"; and his quartermaster asked for a clearer definition of corps

<sup>67</sup> WD Ltr AG 601.1 (3-27-41) M-D-M, to CG's All Armies . . . , 31 Mar 41.

<sup>68</sup> (1) Memo, Gregory for Patterson, 17 Mar 41. USW Files, 601 (Land Acquisition). (2) WD Ltr, AG 680.4 (3-17-41) M-D-M to CG's all Depts and CA's, 29 Mar 41. QM 601. (3) OQMG Circ 1-1, Change 2, 8 Apr 41. 601.1 Part 3.

<sup>69</sup> Tel Conv, Green and Younger (1 Apr 41). QM 300.5 (QM Circ 1-1).

<sup>70</sup> (1) Ltr, Frink to Gregory, 4 Apr 41. 601.1 Zone 4, Mar 41-Jan 42. (2) Memo, Younger for Somervell, 20 May 41. QM 333.1 ZCQM 4.

<sup>64</sup> *Ibid.*, pp. 75-82.

<sup>65</sup> Ltr, RE Br to CAQM Eighth CA, 17 Mar 41. QM 601.53 (ZCQM 8) (RA). (2) Memo, Gregory for Reybold, 25 Mar 41. G-4/14506-157. (3) Ltr, ZCQM 4 to Somervell, 3 Mar 41. 601.1 I.

<sup>66</sup> Memo, Somervell for Reybold, 6 Mar 41. 601.1 I.

area responsibility.<sup>71</sup> The unenthusiastic reaction of the corps area officers stemmed in part from a reluctance to surrender their duties. Several tried unsuccessfully to maintain control over leases not reserved to them. And although the Ninth Corps Area estimated that it would take six months to complete the transfer to the zone, pressure from Somervell shortened the period actually required to less than three weeks.<sup>72</sup>

Meanwhile, O'Brien was readying the zones for their new responsibilities. Early in April he named experienced men as zone real estate directors. He gave them expert staffs and told them to call on other government agencies or qualified private appraisers if they needed more help. The list of co-operating agencies soon included the Reconstruction Finance Corporation, the Interstate Commerce Commission, and the Federal Land Bank. While delegating work to the zones and employing outside agents, O'Brien kept tight control over the field.<sup>73</sup> Publication of the *Real Estate Manual*, which Patterson praised as "a thorough piece of work," promoted uniformity.<sup>74</sup> Frequent inspections kept O'Brien in touch with activities of zone and project offices.

As the zones swung into action, the Real Estate Branch gained in reputation. The corps areas agreed to relinquish most

of their remaining real estate functions. In July 1941, zone constructing quartermasters took over all real estate transactions except trespass agreements for maneuver areas and leases for Air Corps projects.<sup>75</sup> During the fall, federal agencies operating within the Ninth Zone asked O'Brien to co-ordinate all leasing of storage space; and the Federal Works Agency turned all acquisition for the new United Service Organizations (USO) program over to the Quartermaster Corps.<sup>76</sup> As confidence in his organization increased, O'Brien's duties multiplied.

After studying methods of other agencies, O'Brien overhauled the Army procedure. He modernized all phases of acquisition, from initial appraisal to final payment. Looking for shortcuts, he obtained the right to approve routine leases without consulting Patterson, and he discontinued burdensome and time-consuming reports on disposal of buildings at newly acquired sites. Looking for ways to save money, he eliminated highly developed tracts along highways, consolidated rented quarters, and renewed leases at lower rents or relocated in cheaper space.<sup>77</sup>

<sup>71</sup> Ltr, CAQM 8 to Gregory, 24 Jun 41. QM 601.53 (Zone 8) (RA).

<sup>72</sup> (1) Ltr, CAQM 1 to Gregory, 18 Jun 41, and 1st Ind, 1 Jul 41. 601.53 Zone 1, Leases, RA, 3/41-1/42. (2) 1st Ind, 7 Jul 41, on Ltr, Sixth CA to TQMG, 21 Jun 41. 601.53 Zone 6, Leases, RA, FY 42. (3) Ltr, CAQM 9 to Gregory, 16 May 41, and 1st Ind, 2 Jun 41. 601.1 9th SvC II.

<sup>73</sup> (1) Min, Conf of ZCQM's 7-10 Apr 41, p. 4. (2) O'Brien's Address, 5 Nov 41. (3) Ltr, OQMG to ZCQM 9, 28 May 41. 601.1 (Zone 9) Mar 41-Dec 41.

<sup>74</sup> Ltr, Patterson to Somervell, 9 Jun 41. USW Files, Misc & Sub—Rb-Rea.

<sup>75</sup> (1) Ltr, Gregory to TAG, 12 Jul 41. QM 602 Misc 1933—. (2) WD Ltr, AG 680.4 (7-12-41) MO-D-M to CG's of All Depts and CA's, 28 Jul 41. 601 Part 3.

<sup>76</sup> (1) QM 601.53 ZCQM 9. (2) 1st Ind, 13 Nov 41, on Memo, OUSW for JAG, 22 Oct 41. USW Files, 618.2.

<sup>77</sup> (1) Memo, Somervell for Patterson, 17 Sep 41. 601.1 II. (2) WD Circ 131, 5 Jul 41. EHD Files. (3) 1st Ind, 11 Sep 41, on Ltr, Hayden to Gregory, 8 Sep 41. QM 601.1 (ZCQM 6) 1941. (4) WD Ltr, AG 601.1 (10-25-41) MO-D-M, to CG's of All CA's . . . , 27 Oct 41. (5) Ltr, O'Brien to McIlwain, 5 Nov 41. 601.53 (Zone 1) (Leases, RA) Mar 41-Jan 42. (6) Incl with Ltr, Hayden to Gregory, 19 Nov 41. 601.53 (Zone 6) (Leases, RA, FY 42).

Careful planning of acquisition and streamlined methods of purchasing produced good results. O'Brien stressed the importance of careful appraisals. On learning that a site was under consideration, he immediately asked the zone for a gross appraisal, a map, a tract register, and recommendations as to how to acquire the property. When he received the directive, he was all set to go ahead, making detailed tract appraisals, negotiating or condemning, and securing title and possession. In trying to establish fair market values, O'Brien tapped every available source of information: mortgages, county records of recent sales, and valuations set by other agencies. He weighed in improvements, mineral rights, and severance damages along with the value of the land itself. But he excluded such items as cost of moving and loss of business, discontinuing the practice of acknowledging disturbance damages, followed for a short time and inconsistently by Colonel Valliant. All appraisals underwent review in the field and again in Washington. Reappraisals by the Real Estate Branch often saved thousands of dollars.<sup>78</sup>

While sound appraisals made it easier to purchase by direct negotiation, condemnation was still necessary when disagreements arose over price. Few owners refused outright to sell, but many asked more than their properties were worth. Nor were private owners the only ones;

local officials sometimes demanded huge sums for closing state and county roads running through the sites. At first O'Brien followed the practice of condemning individual tracts when negotiations stalled. But, by summer, pressure to get land quickly for second-wave projects had become so intense that he reversed the procedure. General condemnation of entire sites now became the first step. By invoking the War Purposes Act of July 2, 1917, which gave the government extraordinary powers when a state of war was imminent, O'Brien got the courts to grant immediate possession. He then opened negotiations; and if they were successful, he dropped condemnation proceedings. This line of action had many advantages. It froze sales in an area, prevented speculation, and reduced the number of public protests. More important, it permitted an earlier start on construction. But opposition from the Justice Department soon forced its abandonment. Assistant Attorney General Littell did not object to general condemnation, but he did oppose using the War Purposes Act. Repeated representations to the courts that war was imminent seemed to him politically unwise. A compromise resulted: where time was available, O'Brien would follow the usual method of condemnation; where construction was actually delayed, Littell would employ the War Purposes Act.<sup>79</sup>

Acquisition by either condemnation or negotiation was incomplete until owners

<sup>78</sup> (1) Memo, O'Brien for Davidson, 23 Jun 41. Opns Br Files, Future Policies—Camp Constr. (2) O'Brien's Address, 5 Nov 41. (3) Ltr, O'Brien to FCA, 6 Dec 41. 601.1 II. (4) Ltr, O'Brien to ICC, 18 Apr 41. QM 601.1 1941. (5) Ltr, U.S. Atty Western Dist of Ky. to Justice Dept, 4 Dec 41. 601.1 (Zone 5) (USO) Sep–Oct 41. (6) Memo, O'Brien for Somervell, 11 Apr 41. Opns Br Files, H Investigation.

<sup>79</sup> (1) Annual Rpt, RE Br for 1941, 3 Jul 41, sub: Problems in Land Acquisition. Gideon Files, 6A2. (2) Memo, Somervell for Patterson, 6 Jun 41. QM 601.1 1941. (3) Ltr, RE Br to Richards, 8 Jul 41. QM 601.1 (ZCQM 7). (4) Ltr, O'Brien to Littell, 10 Jul 41. 601.1 I. (5) Notes of Conf in Dept of Justice on 6 Aug 41. (6) Ltr, O'Brien to Littell, 21 Aug 41. Last two in 601.1 II.

had their money. But final payments had to wait until titles were clear. Obtaining title evidence was slow work. County records were often poorly organized, and abstractors and title companies had more business than they could handle. Taking steps to overcome delays, O'Brien and Littell agreed to begin securing title evidence as soon as a site came under consideration by the War Department. They reduced the period of search from eighty to fifty years, except where titles were unclear and where a defective title would endanger a large investment, such as an Ordnance plant. In awarding contracts for title work, they considered the promised date of completion as a deciding factor.<sup>80</sup> By August, the Justice Department could assert that, once necessary papers were in hand, title vested in the government in an average of "four days, four hours, and twelve minutes."<sup>81</sup>

As property was removed from tax rolls and local governments demanded compensation for lost revenues, special relief bills were introduced in Congress. O'Brien consistently opposed such legislation, arguing that it would not only set a dangerous precedent but would, in effect, force the government to pay taxes on federally owned land. Moreover, it would substantially increase the cost of the program. Pointing out that the Army was acquiring land in more than two-thirds of the states and that political subdivisions in all of them were losing tax revenue, he recommended that Con-

gress defer action until the Federal Real Estate Board, which had been studying the effects of federal acquisition on revenues of local communities since 1939, could come up with a general solution to the problem. In the meantime, the Quartermaster Corps would make every effort to take cheap lands which were not rich sources of tax revenue.<sup>82</sup>

Relief for the dispossessed was a more pressing need, for during the first year of the emergency, thousands of families were uprooted. Their plight attracted wide attention. Chester Davis wanted the Army to set aside part of the funds appropriated for buying real estate to compensate owners and tenants for losses suffered when it took their farms.<sup>83</sup> But O'Brien, refusing to recognize the disturbance factor as a proper element in valuation, protested that diverting funds to this purpose "would substantially cripple the present land program."<sup>84</sup> After a series of conferences, NDAC, the Construction Division, and other interested agencies finally agreed that the problem was really one of relief and could best be met through grants and loans by the farm security agency. All felt, however, that the Army could do much to ease hardship. O'Brien was as liberal as possible in negotiating prices, allowing up to 10 percent in excess of appraised values. He encouraged camp commanders to send

<sup>80</sup> (1) Ltr, Littell to O'Brien, 25 Mar 41. (2) Ltr, Littell to O'Brien, 18 Jun 41. Both in 601.1 I. (3) Ltr, RE Br to McFadden, 26 Jul 41. QM 601.1 (ZCQM 2). (4) Memo, D. B. Gideon for W. Z. Bowie, 3 Jul 41. Gideon Files, 6A3.

<sup>81</sup> Ltr, Littell to TQMG, 25 Aug 41. 601.1 II.

<sup>82</sup> (1) Ltr, Gregory to Patterson, 24 Feb 41. USW Files, Legis—H Bills 1-4999. (2) Ltr, Stimson to Chm H Comm on Military Affs, n.d. RE Div Files, 5B1. (3) Memo, O'Brien for OQMG Congressional Mail Sec, 20 Mar 41. Gideon Files, 5C1. (4) Ltr, Stimson to Chm S Comm on Public Lands and Surveys, 1 Jun 41. Gideon Files, 3A2a.

<sup>83</sup> Ltr, Davis to Patterson, 29 Jan 41. USW Files, 601 (Land Acquisition).

<sup>84</sup> Ltr, O'Brien to Patterson, 28 Feb 41. USW Files, 601 (Land Acquisition).

soldiers and trucks to help with moving. He asked the zones to co-operate with the Department of Agriculture and with agencies of state and local governments in setting up central clearinghouses where residents could go for aid in finding new farms or new jobs. Most important, by expediting payments, he put cash in sellers' pockets with minimum delay.<sup>85</sup>

Streamlined and revitalized, the Real Estate Branch not only kept abreast of new work but wiped out the inherited backlog. As of 28 February 1941, the branch had acquired 1,053,658 acres of the 7,570,470 required. By 15 November the total requirement had risen to

8,845,079 acres of which only 84,782 acres had yet to be obtained. O'Brien's progress in leasing was equally impressive; during his first nine months with the Construction Division the area leased by the War Department more than tripled. He performed a valuable service in improving relations with Congress and the public, but his greatest contributions by far were lower real estate costs and increased speed of acquisition.<sup>86</sup> Summing up the accomplishments of O'Brien's organization, Somervell said: "The administrative cost of acquisition, as well as that of the land itself, has been reduced and this despite an increase in the speed of acquisition to an extent seldom attained in the Government."<sup>87</sup>

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<sup>85</sup> (1) Ltr, BOB to Patterson, 16 Apr 41. Opns Br Files, RE Br Constr Div OQMG. (2) Memo, O'Brien for Somervell, 11 Apr 41. Opns Br Files, House Investigation. (3) Ltr, Gregory to TAG, 3 May 41. 601.1 I. (4) Memo, O'Brien for Davidson, 23 Jun 41. Opns Br Files, Future Policies, Camp Constr.

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<sup>86</sup> (1) RE Branch PR's, 21 Feb, 15 Nov 41. EHD Files. (2) Ltr, Holmes to Hayden, 28 Jun 41. QM 601.1 (ZCQM 6).

<sup>87</sup> Memo, Somervell for Patterson, 17 Sep 41. 601.1 II.